



Iowa Department of Human Services

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INFORMATIONAL LETTER NO.1373

DATE: April 8, 2014

TO: Iowa Medicaid Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs) and Indian Health Services (IHS)

FROM: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: Reminders on Encounter Code Billing

EFFECTIVE: May 1, 2014

This informational letter is to clarify the proper billing process for FQHC, RHC, and IHS providers relating to the use of encounter codes, T1015 and D9999.

Medical Encounters

T1015 must be used for all FQHC, RHC, and IHS medical service encounters, regardless of the underlying service(s) that are provided in any given encounter as described in [Informational Letters No.796¹](#) and [879²](#). The T1015 encounter code must always be billed on the first claim line. The encounter rate paid to each FQHC, RHC and IHS is and always has been intended to be “all-inclusive” of any and all services rendered for a given date of service and member. This requirement is not applicable to services rendered to Iowa Family Planning Network (IFPN) members.

Dental Encounters

D9999 must be used for all FQHC and IHS dental service encounters as described in [Informational Letter No. 1238³](#). Do not use T1015 on the dental claim form. All other dental procedures provided during the encounter should be billed on the subsequent claim lines. Area of oral cavity, tooth number and surface should also be entered, if applicable. Enter “0.00” in the fee area for each procedure provided.

Dental services performed by FQHCs that require prior authorization should have the prior authorization number appended to the claim as described in [Informational Letter No. 1112⁴](#).

Reporting Services Rendered and Prior Authorization

The applicable encounter code should be submitted on the first claim line, with any and all subsequent claim lines containing the applicable specific procedure code(s) for actual services rendered as “informational only” and billed at \$0.00. No other procedure code is intended to be payable to FQHCs, RHCs or IHS providers.

¹ http://www.ime.state.ia.us/docs/796_FQHC_RHC309vRvdsd.pdf

² http://www.ime.state.ia.us/docs/879_BillingRequirementsRemindeFQHCsRHCs.pdf

³ <http://www.dhs.state.ia.us/uploads/1238%20Billing%20for%20Dental%20Encounters%20at%20a%20FQHC%20and%20IHS.pdf>

⁴ http://www.ime.state.ia.us/docs/1112_PriorAuthorization.pdf

Beginning May 1, 2014, the IME will begin editing for the procedure codes submitted with the encounter code. Claims submitted without the specific procedures identified on the subsequent lines will be denied. The IME requires prior authorization for certain procedures and will begin editing to confirm an authorization has been obtained for services where a prior authorization is required. Procedure codes that require prior authorization can be found on the [Claims and Billing](#)⁵ page on the IME website.

Multiple Encounters on the Same Date of Service

If medical services are provided on the same date as dental services, the medical services should be billed separately on the CMS 1500 claim form with T1015 for the medical encounter, while the dental services are billed on the ADA claim form with D9999 for the dental encounter. Although only one encounter payment per day is allowed, federal reporting requirements increasingly necessitate tracking of services provided. Therefore, it is important that all medical and dental services provided be reported on claims.

Family Planning Waiver Services

[Informational Letter No. 485](#)⁶ instructed FQHCs and RHCs to bill for any services rendered to Iowa Family Planning Network (IFPN) members differently than how they would normally bill for FQHC and RHC services. In particular, FQHCs and RHCs were instructed to use normal CPT/HCPCS codes for any such services, not the T1015 encounter code. When billing IFPN services the FQHC/RHC is not the billing entity. The service must be billed by the treating practitioner such as a physician or Advanced Registered Nurse Practitioner (ARNP). FQHCs and RHCs were informed that payment for any IFPN services would be based on the Iowa Medicaid physician fee schedule for such services, not their normal FQHC or RHC encounter rate. FQHCs and RHCs were also instructed that any such IFPN visits and corresponding payments may not be used in establishing the FQHC or RHC encounter rate for subsequent cost-reporting years. Any such visits may not be counted as Medicaid visits and revenue must be treated as any other private or commercial insurance payment. Nothing described in this informational letter changes the limitations and requirements related to billing for IFPN services.

If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909, locally in Des Moines at 515-256-4609 or by email at imeproviderservices@dhs.state.ia.us.

⁵ <http://www.ime.state.ia.us/Providers/claims.html>

⁶ <http://www.ime.state.ia.us/docs/485FPwaiver-RHCandFQHC.doc>